

COMMONWEALTH OF VIRGINIA

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VIRGINIA HOUSING COMMISSION

Meeting Summary

Full Commission, Virginia Housing
601 S Belvidere Street, Richmond, VA 23220
Wednesday, December 14, 2022 - 1:00 p.m.

Introduction

On December 14, 2022, the full Virginia Housing Commission (the Commission) met at the Virginia Housing building. Delegate Daniel Marshall called the meeting to order at 1:03 p.m. Commission members made their introductions. The meeting consisted of presentations, followed by questions and discussion.

Presentations

Building with Hempcrete

Cameron McIntosh, Founder, Americhanvre Hemp Building Solutions

Mr. McIntosh presented information about hempcrete, a material made of commercial hemp hurd. He reported that hempcrete is a non-structural, bio composite insulation and walling material, and has been used in France since the late 1970's. It is now fully approved for building use in the United States. Hempcrete is not concrete, rather it is an insulation, more than it is a structural material. It has impressive thermal performance and is extremely fire resistant. McIntosh stated that hempcrete has a large carbon storage potential, and it creates a comparatively high interior air quality. Hempcrete can be pre-cast, which can save time during the building process. McIntosh reported in detail on the process for building with hempcrete. He also shared several project examples with the Commission.

Questions and comments followed the presentation. Delegate Marshall asked if hempcrete might be adopted by traditional builders down the road. McIntosh answered that he does not believe that hempcrete will be used in the near future, because it does not maximize profit for the builder.

Delegate Coyner expressed her disapproval of the description of hempcrete as a superior building material. She also asked about the cost per square foot, and McIntosh answered that it is about 30% higher in cost than traditionally built homes. He answered that the cost upfront may be more, but over time, heating and cooling costs would go down, leveling the cost.

Delegate Bulova asked about hempcrete's ability to withstand water damage. Mr. McIntosh answered that hempcrete will deteriorate in moisture, but he said that it withstands moisture better than traditional insulation and drywall.

Laura Lafayette asked what the oldest hempcrete structure is in existence, and she inquired about the insurance implications for hempcrete homes. He suggested that studies show that hempcrete homes may have a longer lifespan than traditional homes. McIntosh answered that he has not seen any issues in insuring hempcrete homes. The oldest house was built in the late 1970's in France and is still standing now.

Update on 3-D Building and other Non-Traditional Building Choices

Andrew McCoy, Ph.D., Director, Virginia Center for Housing Research, Virginia Tech

Mr. McCoy presented on work done through the Virginia Center for Housing Research, including projects and policies created most recently. He stated that, as housing costs are rising, new technological innovations are needed to make housing more affordable. These innovations include 3-D printed houses. He presented one particular 3-D printed home, built in Richmond, Virginia, sharing the complete building process. Studies of these types of homes have shown that energy costs are greatly diminished in a 3-D home, as compared to a traditional stick-built home.

McCoy then spoke about a project on adapted manufactured housing in Chesterfield County, Virginia. He reported that older, existing structures in this community, Bermuda Estates, are leaking much more air than the new, factory houses, concluding that energy costs would be much reduced on the new homes.

Report on Virginia Housing Commission Work in 2022

Elizabeth Palen, Executive Director

Ms. Palen reported on the work of the Virginia Housing Commission in 2022, including the three workgroups: Affordable Housing and Neighborhood Transitions, Common Interest Communities (CIC), and Eviction Diversion Pilot Program; and proposed bills for the General Assembly. She reported that the Virginia Housing Commission has new office space on Franklin Street.

Legislative Housing Initiatives 2023 Session

Delegate Danny Marshall reported on a bill that allows the Industrial Development Authority (IDA) to go out and develop residential lots, as it does for industrial parks. This would allow for land preparation for housing, not just industry.

Delegate David Bulova reported on the CIC workgroup. He mentioned that timeshares are no longer a part of the work of the Common Interest Communities Board of Department of Professional & Occupational Regulation. Bulova then reported on the difficulty in dealing with repeat offenses in Homeowner Associations (HOA's). He spoke of the Virginia Code and the bill that will address these types of offenses in HOA's. This bill has been submitted to the Department of Legislative Services.

Delegate Bulova then introduced a concept for a livable home tax credit program, hoping to benefit senior citizens and those with disabilities.

Delegate Carrie Coyner reported on a bill that will deal with Homeowner Association management companies. This bill would require community management companies to report when their contracts come up for renewal, so that HOA's have the opportunity to decide whether or not to continue business with an existing community management company.

HB854 Statewide Housing Study: Major Findings and Policy Implications

Susan Dewey, CEO, Virginia Housing, reported that this year is the 50th anniversary of Virginia Housing. She stated that the sole purpose of Virginia Housing is to create housing for Virginians and to search for innovative ways to create affordable solutions to the current housing crisis. She introduced HB854, a lengthy statewide housing study.

Jonathan Knopf, Executive Director for Programs, HousingForward Virginia reported on the HB854 Housing Study. The study took place from January of 2020 to January of 2022. Data collected since the report has been updated due to rising costs in 2022. He reported on the rental market, homeownership, and homelessness assistance and prevention. He stated that the study showed that average rental rates in Virginia have risen an average of 50 percent, and even with rising income, housing affordability is still an important issue. He reported that Virginia is a national leader in rental assistance programs. Knopf reported that the average home cost is out of reach for most renters in Virginia. Today, homeownership is much less common among younger adults. He also reported that homelessness prevention programs are well-coordinated and are working around the Commonwealth. The full report is available at bit.ly/hb854study.

Questions and comments followed the presentation. Delegate Bulova asked what it would take for Virginia Housing to bring the existing programs in the state to the "right size" for the needs of the Commonwealth. Knopf answered that more analysis is needed to assess that issue. Comments were offered about the mortgage interest rates in this current economic climate, acknowledging that there is still uncertainty as to the direction rates will go in the near future.

****Full presentations, including slides and videos, are available on the Virginia Housing Commission website: www.vhc.gov****

Public Comment

No public comment was offered.

Adjourn

The meeting was adjourned at 3:12 p.m.